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# National Intelligence Bulletin

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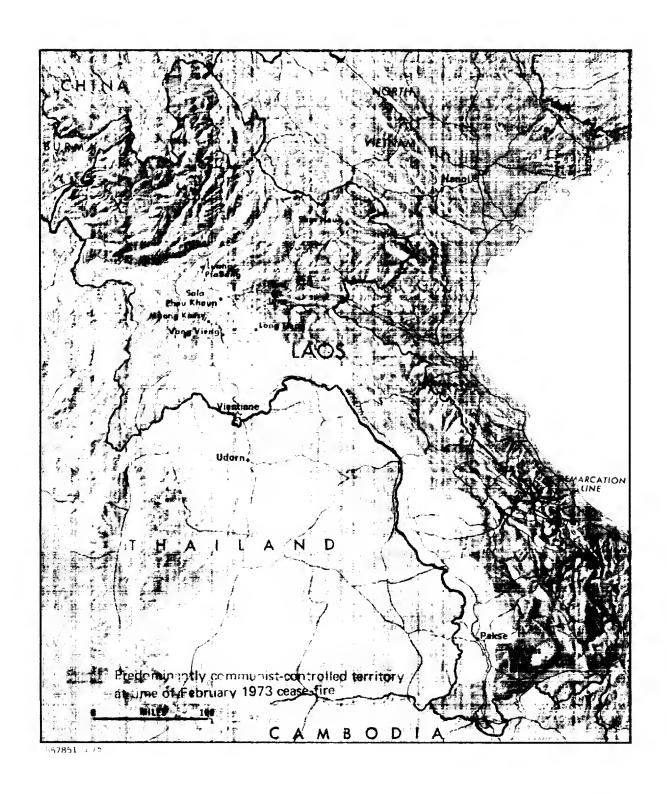
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LAOS

Prime Minister Souvanna Phouma virtually conceded political victory to the communists yesterday.

In a Constitution Day address in Vientiane, Souvanna told an audience that included King Savang, the foreign diplomatic corps, and members of the coalition government—most of whom are Pathet Lao—that a "new situation" had unexpectedly and abruptly occurred in Laos and the rest of Indochina. Souvanna said that as a result, it was "necessary to yield to the evidence and prepare for the future in accordance with the march of history." The alternative, he added, was certain further bloodshed for all Lao people.

Otherwise, Souvanna's speech was generally optimistic, with considerable emphasis on the importance of the constitution and its durability since 1947. He cited the King's recent visit to and reception at Pathet Lao headquarters in Sam Neua as an event of "historic significance" for national reconciliation and unification.

Souvanna made no mention of a cabinet reshuffle in his speech, but later in the day he appointed Pathet Lao Deputy Defense Minister Khammouane Boupha acting defense minister in place of ousted rightist Sisouk na Champassak, who has fled the country. Boupha is now in command of all armed forces throughout Laos, despite the fact that Souvanna asked Royal Lao Army commander Bounpone and air force chief Bouathong to remain in their posts.

Boupha's appointment could set a precedent for Pathet Lao officials' replacing all of the ousted rightist cabinet ministers, even though the 1973 Laos peace accords gave each party in the coalition the responsibility for filling cabinet vacancies from among its own ranks.

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Vientiane remained generally quiet although tense over the weekend. No further anti-American or anti-rightist street demonstrations were reported, but there were widespread fears that the handful of rightist military leaders still left in the country might be planning a last-ditch coup attempt.

The US embassy does believe, however, that the single most dangerous possibility--not probability--is for one or more desperate officers to lead some kind of terrorist action against Pathet Lao officials in Vientiane. Given the near-total collapse of Royal Lao Army will and morale and the growing number of troop unit defections to the Pathet Lao, any such effort would almost certainly be short-lived and futile.

Although virtually all of the most important rightist military and political leaders, including Kouprasith
and the Sananikones, have left the country, a few potential troublemakers remain. These include generals Vang
Pao, Thao Ly, and Chao Sinh—three of the most effective
combat leaders the Royal Lao Army ever had. The army
commander in chief, General Bounpone Markthepharaks, is
also still in Vientiane, but he has little taste for
bloodletting and has told Prime Minister Souvanna Phouma
he intends to resign.

Vang Pao has acceded to Souvanna's request that he resign his command in northern Laos. Over the weekend, he dispatched about 100 of his followers and their families by air from Long Tieng to Udorn, Thailand. The evacuation of key Meo tribal leaders, senior officers, and dependents is expected to continue.

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ousted rightist finance minister Ngon Sananikone recently told the US chargé that Vang Pao--as well
as Chao Sinh and General Etam, the Royal Lao Army psychological warfare chief--intends to wage guerrilla warfare
against the Pathet Lao. Ngon admitted that although their
cause was probably hopeless, these officers believed that,
since they and their followers had originally fled from
Sam Neua Province, "it was better to fight than to wait
dumbly to go to the scaffold."

Vang Pao reportedly remains at his headquarters at Long Tieng and has ignored Royal Lao Army orders to relocate the T-28 tactical aircraft based there.

The situation in Vientiane became more tense yesterday when the entire Royal Lao Army cadet class defected from their training camp in the capital's suburbs and took over a German technical school in the city, declaring it a "liberated area." The dissidents, heavily armed and ranging in strength from 50 to 200, said they had resigned from the army because several rightist leaders had attempted to enlist their services in a coup attempt. They demanded that all rightist commanders in the Vientiane area be ousted and that their military academy be placed under the direct administration of Prime Minister Souvanna and the coalition government, to which they swore allegiance.

The US country team reports that in its judgment the situation in Vientiane, while volatile, does not require implementation of emergency evacuation measures. Nor are such measures deemed necessary elsewhere in Laos except for Pakse, where civil unrest continues. A total of 13 dependents and nonessential US personnel stationed in Pakse have been flown to Vientiane and to Udorn. The embassy is monitoring the situation closely and is prepared to remove the 64 remaining US personnel from Pakse, should the situation dictate.

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#### DOMINICAN REPUBLIC

The resignation of the four top military officers on Saturday poses no immediate threat to President Balaquer's hold on power.

The armed forces secretary of state and the chiefs of staff of the three services resigned in protest over Balaguer's appointment last week of General Neit Nivar as national police chief. Nivar is a strong supporter of the President and a rival of army General Perez y Perez, one of those who resigned.

The four former military chiefs apparently expected that the threat of their resignation would cause Balaguer to rescind Nivar's appointment. The President called the generals' bluff, however, and quickly accepted their resignations, named replacements to two of the posts, and at least temporarily assumed the armed forces secretary of state portfolio himself.

It is not clear whether Balaguer deliberately set out to precipitate the resignations, but he periodically pits competing power groups against one another in order to strengthen his position. In any event, Balaguer's decisive reaction seems to have caught the dissidents by surprise, and he apparently is in full control.

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### The Thai Insurgency--A Current Assessment

One of Bangkok's immediate reactions to communist victories in Cambodia and Vietnam has been apprehension that the North Vietnamese will now increase their support of the Thai communist insurgents. Indeed, sensationalized Thai press accounts of recent insurgent attacks have given many Thai officials the impression that an "insurgent offensive" has already begun.

Such a prospect seems highly unlikely anytime soon. It is no less true today than it was five years ago that the insurgency, despite continued growth, is still small and limited largely to the periphery of the Thai nation and society. We do not believe that the Thai communists, who are outmanned and outgunned by the government, would choose at this point to escalate dramatically the tempo of their military activities. The insurgents are still attacking only weakly defended government positions in remote areas of the country, and it seems unlikely that they will change their approach anytime soon.

#### The Threat

In the space of ten years the communist movement has grown from a handful to some 8,000 insurgents scattered in three principal areas of the country—the northeast, the north, and the far south. The insurgency varies widely from region to region in its level of sophistication, quality of leadership, armaments, capabilities, and political impact.

Insurgency in the northeast has achieved a far higher level of political organization than anywhere else in Thailand. Here, some 3,000 insurgents have begun to erode Bangkok's political control in more remote villages near the Laotian border. There has been only a gradual increase in the number of armed insurgents—about 1,000 added over the past seven years—but there has been a significant improvement in their military capabilities as a result of better leadership and training and the introduction of modern arms supplied by the North Vietnamese and Chinese.

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At the same time, political support for the communists in the northeast derives more from villagers' fear of insurgent retribution than from their hatred of the government in Bangkok. While the communist political base is therefore vulnerable to government civic action programs, Bangkok has not thus far made the necessary effort to develop a permanent presence in these remote villages as a means of keeping the insurgents out.

In the north, the communists have a strong military organization but a weak political base. Since most of the insurgents in the area come from the hill tribe population, communist political appeal is significantly limited among the ethnic Thai lowlanders. Even among the hill tribes, moreover, communist political control is resented, and many villagers have moved into the lowlands to escape insurgent reach.

The strength of the insurgency in the north rests largely on natural geographic advantages. The government's policy of "containment" in effect concedes control of mountain strongholds to the communists and concentrates on preventing insurgent expansion into the lowlands. But since the main obstacle to insurgent influence in the lowlands is prejudice against the hill tribes, the communists are reported to be shifting some of their ethnic Thai leaders from the northeast to the north in an effort to increase their appeal among the lowlanders. Despite this, the odds favor a continuation of the present stalemate at least for the next year or so.

The insurgent movement in the south has long been the stepchild of the Thai communist effort. Geographically isolated from the main area of communist interest in the north and northeast, the insurgents in the south have lacked capable leadership, money, and a reliable supply of armaments. While numbering well over a thousand, they pose no more of a threat to the government in Bangkok than do the numerous bandits and Muslim separatists who operate along the Kra Peninsula.

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### The View from Bangkok

The Khukrit Pramot government's desire for a rapprochement with Hanoi and Peking is certain to influence its assessment of and response to the insurgency. Important elements in the Foreign Ministry and the military believe that the insurgency is principally a diplomatic problem created by Thailand's close cooperation with US policies in Indochina and have long tended to downplay the threat. This viewpoint, almost certainly shared by Foreign Minister Chatchai Chunhawan, holds that Hanoi and Peking have supported the insurgency largely in retaliation for Bangkok's allowing US aircraft to be based in Thailand.

Other officials, mostly civilians, believe that insurgent ranks contain predominantly "misguided" people temporarily estranged from Thai society because of official corruption and that the solution to the problem is political rather than military. Many influential persons outside the government are openly skeptical of the insurgent threat, believing it was deliberately overblown by the former military regime to justify martial law and large military budgets.

These notions of course could change if the insurgents were to become more "visible" by stepping up attacks against government outposts closer to population centers. Thus far, however, Thai communist strategists, turning Bangkok's parochialism to their advantage, have avoided spectacular terrorist acts that would force the government to resort to harsher policies and possibly awaken the general populace to the threat. A change in this basic approach seems unlikely for the near future.

It is also unlikely that the Khukrit government will place a higher priority on counterinsurgency programs than did predecessor governments. Indeed, student charges that the government committed atrocities against the civilian population during counterinsurgency operations in 1972 has led officials to ease up on military responses. Sensitive to what is still a live political issue, army planners currently are recommending greater emphasis on civic action.

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The unwieldly nature of the Khukrit coalition may make it difficult to reach a consensus on any government strategy for dealing with the insurgency. For the moment, at least, it appears that the path of least resistance for Thai politicians will be to rely on diplomacy to "solve" the problem.

### External Support

External support unquestionably has played an important role in advancing the insurgent movement to its current status and will be vital to its future growth. Improved tactics and firepower in recent years are a direct reflection of Chinese and North Vietnamese training programs and arms shipments. While there is not sufficient evidence to estimate the current magnitude of external assistance, the insurgents do not appear to be suffering shortages of arms or other supplies. But growth of the insurgent threat is far more than just a matter of increased external support.

The greatest deterrent to the growth of the insurgent movement is the lack of a strong political appeal, not guns. There simply is no issue in Thailand today that would cause large numbers of Thai to want to take up arms against their government.

- --The communists have been undercut on two issues that have long dominated their propaganda: the US military presence and Thai military rule. An elected government now sits in Bangkok and the US presence is dwindling.
- -- The economy is strong and growing.
- --The new government is proving responsive to the needs of the rural population; recently, it prodded the National Assembly into passing a bill that will pump millions of dollars into local development projects.
- --Bangkok is also working on a land-reform bill that should open up new land to displaced farmers.

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Another factor that seriously limits the insurgents' political appeal is their open identification with Peking. Mao badges and "little red books" have become de rigueur within the insurgent groups, and members make no secret of the fact that they received training in North Vietnam, China, or Laos. It is common knowledge among educated Thai that the Thai communist radiobroadcasts emanate from Kunming, China.

The Thai communist leadership's rigid embrace of Maoist revolutionary strategy and the tone of recent propaganda broadcasts seem to rule out for the foresee-able future any shift in strategy from armed insurgency to "united front" political tactics in the cities. Indeed, recent communist victories in Indochina have probably strengthened the convictions of party hardliners, who decided over 20 years ago to take their struggle into the countryside.

### Outlook

Internal rather than external factors probably will determine how serious the insurgent threat becomes. Continued government neglect of the problem will be important to its continued growth. In addition, the success or failure of Thailand's current experiment with parliamentary democracy may be a crucial factor. itary coup against an elected government that has not had a fair chance to prove its worth could quickly radicalize large numbers of well-educated civilians and government officials who support the concept of representative government. Some of the nation's youth would certainly see the communists as the only realistic alternative to a military regime -- a development that would provide the insurgent movement with the type of person it badly needs in order to expand its membership and widen its appeal.

For the near future the possibility of significant growth in insurgent ranks is remote, despite whatever psychological advantage the movement may have gained from communist victories in Indochina. A quantum jump in North Vietnamese or Chinese training programs, advisers, and arms shipments would significantly alter the outlook only if the insurgents were to acquire the people and organization to absorb such support.

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